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(FORM UPDATED: 08/11/2010)

# WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

2007-08

(session year)

## <u>Assembly</u>

(Assembly, Senate or Joint)

Committee on Forestry...

#### **COMMITTEE NOTICES ...**

- Committee Reports ... CR
- Executive Sessions ... ES
- Public Hearings ... PH

## INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... Appt (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... CRule (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)

(ab = Assembly Bill)

(ar = Assembly Resolution)

(ajr = Assembly Joint Resolution)

(sb = Senate Bill)

(**sr** = Senate Resolution)

(sir = Senate Joint Resolution)

Miscellaneous ... Misc

#### **Assembly**

### **Record of Committee Proceedings**

#### **Committee on Forestry**

**Assembly Bill 414** 

Relating to: annual or consecutive month permits for vehicles or combinations of vehicles transporting loads near the Wisconsin-Michigan border.

By Representative Sherman; cosponsored by Senator Jauch.

June 14, 2007

Referred to Committee on Forestry.

June 19, 2007

Passage.

Moved by Representative Hubler, seconded by Representative M. Williams that **Assembly Bill 414** be recommended for passage.

Ayes:

(7) Representatives Friske, Mursau, A. Ott, M. Williams, Hubler, Boyle and Sherman.

Noes:

(0) None.

PASSAGE RECOMMENDED, Ayes 7, Noes 0

June 19, 2007

#### PUBLIC HEARING HELD

Present:

(7) Representatives Friske, Mursau, A. Ott, M.

Williams, Hubler, Boyle and Sherman.

Absent:

(0) None.

#### Appearances For

- Gary Sherman, Madison Representative, 74th Assembly District - Wisconsin State Legislature
- Bob Jauch, Madison Senator, 25th Senate District -Wisconsin State Legislature
- Eric Maki, Hayward Midwest Forest Products

#### Appearances Against

• None.

#### Appearances for Information Only

• None.

#### Registrations For

 R.J. Pirlot, Madison — WIsconsin Manufacturers and Commerce

#### Registrations Against

• None.

#### Registrations for Information Only

• None.

June 19, 2007

#### **EXECUTIVE SESSION HELD**

Present: (7) Representatives Friske, Mursau, A. Ott, M.

Williams, Hubler, Boyle and Sherman.

Absent: (0) None.

Moved by Representative Hubler, seconded by Representative M. Williams that **Assembly Bill 414** be recommended for passage.

Ayes: (7) Representatives Friske, Mursau, A. Ott, M.

Williams, Hubler, Boyle and Sherman.

Noes: (0) None.

PASSAGE RECOMMENDED, Ayes 7, Noes 0

Tim Gary Committee Clerk

## Vote Record **Committee on Forestry**

Date: 6-14-07					
Moved by: Rep. Hubler Seconded by: Rep. Williams					
AB 414 SB		Clearinghouse Rule			
	<u> </u>	Appointment			
		Other			
A/S Amdt	-				
A/S Amdt	to A/S Amdt		<del></del>		
A/S Sub Amdt					
A/S Amdt					
A/S Amdt	to A/S Amdt	to A/S Sub Amdt			
Be recommended for: Passage		☐ Concurrence ☐ Indefinite Postponement ☐ Nonconcurrence			
Committee Member		<u>Aye</u>	<u>No</u>	<u>Absent</u>	Not Voting
Representative Donald I	回				
Representative Jeffrey Mursau					
Representative Alvin Ott					
Representative Mary Williams		<b>☑</b> ,			
Representative Mary Hu					
Representative Frank Boyle					
Representative Gary Sherman					
	Totals	s: 7	0	0	0



## WISCONSIN STATE LEGISLATURE





TO:

Members, Assembly Committee on Forestry

FROM:

Senator Bob Jauch

DATE:

June 15, 2007

RE:

Assembly Bill 414

#### **Description of legislation**

Under current law, vehicles hauling forestry products on USH 2 may exceed posted Wisconsin weight limits (98,000 lbs.) from the Michigan/Wisconsin border in Iron County to the western border of Ashland County, Wisconsin *if* they do not exceed the posted Michigan weight limits (160,000 lbs.). Under Senate Bill 209, that exemption would be extended approximately 20 miles along USH 2 from the western border of Ashland County to Hart Lake Road in Bayfield County.

#### There is urgency for the Legislature to act

Midwest Forest Products Co. is a wood chip mill located just off USH 2 near Iron River in Bayfield County, Wisconsin. Midwest consumes more than 40,000 cords of pulpwood, which results in the sale of 18,000 tons of biomass to wood boilers and 37,000 green tons of chips to paper mills and energy producers in northern Wisconsin, with its largest and most significant contract with a customer in Ontonagon, Michigan.

Because of lower weight limits in Wisconsin and the proximity of Michigan haulers to the Ontonagon plant, Midwest's fiber is relatively more costly for the Michigan plant to consume. As a result, in less than one month, the Michigan customer intends to discontinue purchasing fiber from Midwest or require that Midwest sell its product at the price available to them from Michigan haulers. Because one option would result in the loss of Midwest's only significant contract, and the other would result in an unsustainable loss of revenue, both scenarios would ultimately result in the closure of the mill. Closure of the mill will result in the loss of contracts for 60 regular loggers, and the loss of jobs to four mill workers, six truckers and three administrative employees.

For a region of the state that has a lower per capita income and a higher unemployment rate than much of the rest of the state, this significant loss of jobs would result in a devastating blow to the immediate community as well as to the region at large. As a result, the urgency of providing the mill with this legislative remedy can not be understated.

#### Economic significance

Ken Maki, owner of Midwest Forest Products Co., has invested more than \$1.2 million in the mill. Midwest's direct taxable sales are more than \$3 million, with its direct expenses for raw materials, energy, transportation, salaries and benefits totaling more than \$3.6 million and its investment in the local economy exceeding \$2.6 million.

Despite the certainty of great economic loss to the company should it be forced to sell its products at a significantly reduced price, Midwest Forest Products remains committed to providing full employment to its current employees so long as the possibility of a legislative fix remains an option.